

LAW OFFICE
THOMAS F. McFARLAND, P.C.
208 SOUTH LASALLE STREET - SUITE 1890
CHICAGO, ILLINOIS 60604-1112
TELEPHONE (312) 236-0204
FAX (312) 201-9695
mcfarland@aol.com

THOMAS F. McFARLAND

September 28, 2005

By electronic mail

Vernon A. Williams, Secretary
Surface Transportation Board
Case Control Unit, Suite 713
1925 K Street, N.W.
Washington, DC 20423-0001

Re: Docket No. AB-878, *City of Peoria, Illinois and Village of Peoria Heights, Illinois -- Adverse Discontinuance -- Pioneer Industrial Railway Co.*

Dear Mr. Williams:

This responds to the letter to you from Pioneer Industrial Railway Co. (PIRY) dated September 8, 2005 requesting that its Petition to Reopen for Immediate Modification or Clarification of the Board's decision served August 10, 2005 be held in abeyance pending the filing by Central Illinois Railroad Company (CIRY) of a petition for exemption of discontinuance of its rail service over the rail line at issue and action in state court in regard to PIRY's request for an injunction against removal of the tracks at issue.

Applicants oppose PIRY's request to hold its Petition in abeyance. CIRY has filed the petition for exemption of discontinuance of rail service. The Board's decision relates to discontinuance of PIRY's rail service, not to removal of the trackage at issue. Inasmuch as the rail line was abandoned when the City of Peoria acquired it, its abandonment and removal are not subject to the Board's jurisdiction, except that all operations over the line must be lawfully discontinued. Applicants are taking appropriate steps for such discontinuance and will not abandon and remove the trackage until such discontinuances become final. The state court proceeding is beyond the Board's jurisdiction. If the state court were to enjoin removal of the trackage, Applicants would abide by that action. However, there is no need nor justification to

THOMAS F. MCFARLAND

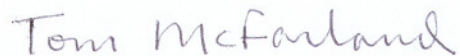
Vernon A. Williams

September 28, 2005

Page 2

make the Board's August 10 decision subject to a state court action that is beyond the Board's jurisdiction.

Very truly yours,

A handwritten signature in dark ink that reads "Tom McFarland". The signature is written in a cursive, slightly slanted style.

Thomas F. McFarland
Attorney for Applicants

TMcF:kl:\wp8.0\1021-A\ltrstb2

cc: Daniel A. LaKemper, Esq.
William Mullins, Esq.
Randall Ray, Esq.
Ms. Mindy Sammons